



**A Report to the
Audit Committee**

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Audit of Criminal Justice Planning

May 8, 2014

Metropolitan
Nashville
Office of
Internal Audit

EXECUTIVE SUMMARY

May 8, 2014



Why We Did This Audit

The audit was initiated based on the number of years that have elapsed since the last audit was conducted by this office.

What We Recommend

Criminal Justice Planning should refine, remove, or add operational objectives to provide a clear, updated focus. Additionally, they should improve access controls for information systems and improve training and development efforts for employees.

For more information on this or any of our reports, email Mark.Swann@nashville.gov

AUDIT OF CRIMINAL JUSTICE PLANNING

BACKGROUND

The United States District Court of the Middle District of Tennessee entered a population cap injunction order on July 25, 1990, after determining that unconstitutional overcrowding conditions existed in Metropolitan Nashville jails. To dissolve the injunction, Metropolitan Nashville Government filed a Jail Management Plan in 2000 that established a Criminal Justice Steering Committee to assist in coordinating criminal justice policy and decision-making.

Criminal Justice Planning, formed in 2003 and formally funded in 2005, serves as staff of the Criminal Justice Steering Committee. Its powers and duties include conducting research and planning to advise decision makers on incarceration obligations, forecasting inmate populations, and providing other requested reports.

OBJECTIVES AND SCOPE

The objectives of the audit were to determine the following:

- Was the organization structure designed to support service delivery objectives and were stakeholder needs satisfied?
- Were payroll expenditures for work performed and were leave usages approved and accrued in accordance with applicable policy?
- Were information and technology assets and access privileges protected from unauthorized use?

The audit scope included February 1, 2012, through January 31, 2014.

Operating Expenses	FY 2012 (Actuals)	FY 2013 (Actuals)	FY 2014 (Budget)
Personal Services	\$356,786	\$355,228	\$374,600
Communications	2,310	2,644	3,400
Internal Service Fees	27,961	30,925	33,600
Other Expenses	595	1,951	6,500
Total Operating Expenses	\$387,652	\$390,748	\$418,100

Source: Metropolitan Nashville's EnterpriseOne Financial System

WHAT WE FOUND

Criminal Justice Planning's stakeholders were generally satisfied with reporting products. However, due to general declines in crime rates and inmate intake numbers, coupled with current excess jail capacity, the usefulness of population projections have declined.

GOVERNANCE

In May 2000, former Mayor Purcell created the Criminal Justice Steering Committee. The committee meets monthly to address criminal justice policies and procedures and the needs of the criminal justice system of the Metropolitan Nashville Government. Criminal Justice Planning currently acts as staff to the steering committee.

In March 2008, Executive Order Number 27 created the Criminal Justice Planning Advisory Board. The Advisory Board consists of the Davidson County Sheriff, Metropolitan Nashville Public Defender, District Attorney General, Metropolitan Nashville Police Chief, Criminal Court Clerk, one Davidson County Criminal Court Judge, and one Davidson County General Sessions Judge. The Chair of the Advisory Board supervises the Criminal Justice Planning Director. The Advisory Board reviews the work performed by Criminal Justice Planning, and makes reports and any necessary recommendations to the Mayor.

OBJECTIVES AND CONCLUSIONS

1. *Was Criminal Justice Planning's Organizational Structure designed to support service delivery objectives and were stakeholder's needs satisfied with the reporting products from Criminal Justice Planning?*

Generally yes. Interviews with outside industry professionals and a review of similar local government agencies determined having an independent criminal justice planning function can be a benefit to local governments. Interviews with stakeholders indicated their needs were being met and recent ad-hoc report requests were viewed as a valuable product. Criminal Justice Planning was believed to be uniquely positioned to access and assemble available information, such as domestic violence offenses, into useful reports. Another area perceived as beneficial was facilitating periodic dialogue, presentations, and discussions among members of the criminal justice system.

Contrastingly, jail overcrowding conditions present during the design and formation of Criminal Justice Planning were no longer present. The 2013 report indicates a 2012 year-end total jail capacity of 4,259 and an average population of 3,362, or 79 percent of capacity (the same percentage as 2011). This was in spite of one facility (Offender Reentry Center) closing in January 2011 due to the decreased population. Interviews with personnel from the National Center for State Courts and a review of similar peer agencies suggested Criminal Justice Planning may need to reconsider its operational objectives (see Observations A, B, and C).

2. *Were payroll expenditures for work performed, and were leave usages approved and accurately stated in accordance with Criminal Justice Planning policy?*

Yes. Criminal Justice Planning recorded payroll expenditures and accrued leave according to policy requirements.

3. *Were Criminal Justice Planning information and technology assets and access privileges protected from unauthorized use?*

Generally yes. In general, adequate controls were in place to protect information and technology assets and access privileges. However, internal control regarding access privileges could be strengthened (see Observation D).

AUDIT OBSERVATIONS

The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control – Integrated Framework (2013 Framework)*, Control Environment component recommends management and the board of directors establish mechanisms to communicate and hold individuals accountable for performance of internal control responsibilities and implement corrective action as necessary. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A: Operational Objectives

The primary focus of Criminal Justice Planning was to forecast inmate populations with the use of computer modeling in response to overcrowding in Metropolitan Nashville jails. Despite the decline in jail admissions, Criminal Justice Planning continues to invest many hours into research and data analysis to provide their annual projection report. However, it is unclear given recent declines in jail admissions the value of the yearly population projections and mid-year projection assessments.

The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control - Integrated Framework (2013 Framework)* recommends that an “organization specifies objectives with sufficient clarity to enable the identification and assessment of risks related to objectives.”

Recommendation for management of Criminal Justice Planning to:

Refine, remove, or add operational objectives to provide a clear, updated focus for the commitment of Metropolitan Nashville resources. Examples include:

- Producing reporting products and analyses to individuals and entities outside of the Metropolitan Nashville Government in order to expand the stakeholders and possibly create a sustaining revenue stream.
- Producing projections on a biennial or triennial basis in order to free up resources for more relevant operational objectives.
- Enlarging stated mission and objectives to include the facilitation of communications between various parties of the criminal justice network.

Observation B: Mid-Year Assessment

Each spring, Criminal Justice Planning performs a mid-year assessment to determine whether the actual incarcerated population differs from the fall Annual Projection Report projected population. The stated goal was for the projected population compared to the actual population to be within an acceptable

statistical margin of error of four percent. However, the performance measurement calculation was the “projected” average daily population compared to an average of up to six months of actual figures and projected figures comingled rather than a comparison of a past report’s cited projection figures with actual numbers.

The Mid-Year Assessment report¹ states that the projected average daily population over a 14-month period is compared with the actual average daily population over the same period to determine the variation in projected and actual numbers for the current year (other longer projections were not evaluated for variances).

Recommendation for management of Criminal Justice Planning to:

Compare calendar year population projections with actual populations over the same period to determine variances.

Observation C: Continuing Education and Training Opportunities

Training opportunities have not been available to employees in recent years due to departmental budget cuts. In past years Criminal Justice Planning employees were members of professional organizations including the Justice Research and Statistics Association and the American Statistical Association. The ability to interface with others in the same profession is a valuable resource in any industry, particularly one where change occurs on a continual basis.

The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control – Integrated Framework (2013 Framework)*, Control Environment recommends that an “organization demonstrates a commitment to attract, develop, and retain competent individuals in alignment of objectives.”

Recommendation for management of Criminal Justice Planning to:

Seek out available training opportunities to enable employees to develop competencies appropriate for assigned roles and responsibilities. Training opportunities could include memberships in professional organizations, seminars, classroom training, and professional certifications.

Observation D: Access Privileges for Information Systems

At the beginning of the audit, a past employee of Criminal Justice Planning still had view access privileges to the Automated Records Management System used by the Metropolitan Nashville Police Department, who was unaware this person was no longer employed there (access records indicated that the previous employee had not actually accessed the system since their departure). Additionally, one current employee had input, rather than view only, capabilities in the Criminal Justice Information System. The employee had previously transferred from another department without input privileges being withdrawn.

¹ The Mid-Year Assessment report provided useful items such as crime trends, court volumes, case processing times, information on reported crime, the average daily correctional population, the number of admissions into jail, the average length of stay for an inmate, the number of releases to the Pretrial Release Program and bonding companies, Davidson County demographic population trends, and planned capacity expansions.

Recommendation for management of Criminal Justice Planning to:

Inform database administrators for the Criminal Justice Information System, Metropolitan Nashville Police Department's Automated Records Management System, and the Sheriff's Office Jail Management System when there is a change in staff such as termination, resignation, or transfer to or from another department. This requirement should be created and added to current office policies and procedures.

GOVERNMENT AUDITING STANDARDS COMPLIANCE

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our observations and conclusions based on our audit objectives.

METHODOLOGY

To accomplish our audit objectives, we performed the following steps:

- Interviewed key personnel within Criminal Justice Planning, as well as other key stakeholders.
- Reviewed and analyzed documentation for compliance with the Tennessee Code Annotated, Metropolitan Nashville Code of Laws, and other applicable laws, regulations, and policies.
- Evaluated internal controls currently in place.
- Considered risk of fraud, waste, and abuse.
- Considered information technology risks.

AUDIT TEAM

Carlos Holt, CPA, CFF, CFE, CIA, CGAP, Audit Manager

Seth Hatfield, CPA, In Charge Auditor

Karl F. Dean
Mayor



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

Donna Blackbourne Jones
Director

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100 James Robertson Parkway
Ben West Municipal Bldg, Suite 120
Nashville, TN 37219

April 24, 2014

Mr. Mark Swann
Metropolitan Auditor
Office of Internal Audit
1417 Murfreesboro Pike
Nashville, TN 37217

Dear Mr. Swann,

This letter acknowledges Criminal Justice Planning receipt of the audit starting in February 2014. We have reviewed the findings and recommendations. Our responses have been incorporated in Appendix A of your report.

I would like to thank your office, especially Seth Hatfield, for his professionalism and diligent effort in learning the mission of our office. It was a pleasure to work with him. The recommendations found in the report will help improve our department's service to the various departments within Metropolitan Government.

Sincerely,

A handwritten signature in black ink that reads "Donna Blackbourne Jones".

Donna Blackbourne Jones
Director, Criminal Justice Planning

APPENDIX A – MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN

We believe that operational management is in a unique position to best understand their operations and may be able to identify more innovative and effective approaches and we encourage them to do so when providing their response to our recommendations.

Recommendation	Concurrence and Corrective Action Plan	Proposed Completion Date
Management of Criminal Justice Planning should:		
A. Refine, remove, or add operational objectives to provide a clear, updated focus for the commitment of Metropolitan Nashville resources.	Agree.	6/15/2014
B. Compare calendar year population projections with actual populations over the same period to determine variances.	Agree.	6/15/2014
C. Seek out training opportunities to enable employees to develop competencies appropriate for assigned roles and responsibilities. Training opportunities could include memberships in professional organizations, seminars, classroom training, and professional certifications.	Agree.	6/15/2014
D. Inform database administrators for the Criminal Justice Information System, Metropolitan Nashville Police Department's Automated Records Management System, and the Sheriff's Office Jail Management System when there is a change in staff such as termination, resignation, or transfer to or from another department. This requirement should be created and added to current office policies and procedures.	Agree.	Within 48 hours of employee's termination